

# MANAGING CULTURAL DIVERSITY IN ITELLA POSTI OY

Early Morning Delivery, Central Finland

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<p>Abstract</p> <p>People from around the world with different cultural backgrounds come to Finland. Due to the cultural differences, they face many problems with adjusting to the system.</p> <p>The aim of the thesis was to find out the challenges that Itella Oy, early morning delivery of central Finland is facing with managing multicultural workforce. Furthermore, the study attempted to identify the issues that arise in the management of diversity in the department and possible solutions to the problems.</p> <p>A qualitative approach was adopted, which was appropriate given the size of the sample and the nature of the study. Co-workers and managers of the author were asked to give their responses through an online survey using Google forms. The online survey option was chosen for its convenience and appropriateness to modern society to attract maximum responses. The secondary data was collected to supplement the primary findings. After the survey interviews were conducted, solutions were sought to these challenges and issues.</p> <p>The challenges that foreign workers faced while working in this department arose due to lack of communication, cultural gaps, and difficulties with understanding their rights, insufficient training and varied supervisory behaviors. Quite often the tasks and expected roles had not been made sufficiently clear to the foreign workers of this department. These problematic issues can be resolved if the suggested measures are adopted</p>		
Keywords Managing cultural diversity, multicultural workforce, Finland's diversity charter, multicultural communication, rights of workforce, workplace accidents Itella OY		
Miscellaneous		

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# 1 Introduction

The author moved to Finland from Pakistan in August 2009. He has been both studying and working in Finland from the very beginning. He got hired in October 2009 by Itella OY, central Finland as an early morning deliverer. After working in the company for nearly 5 years now, the author has been observing the working methods, policies, procedures and behavior towards the local and foreign staff of the department.

He had gained experience in human resource management before coming to Finland in his home country. He worked in a company xyz as an assistant human resource manager. He noticed that the style of managing the human resource activity in Finland is different from his home country. It is obviously due to the cultural difference between the countries. Finland is a developed country and it is actively expanding its business activities across the border.

Itella OY, early morning delivery, central Finland, is actively engaged in hiring foreign people. Most of the foreign workers in the company are students and part time workers when they start the job. Later, they become full-time permanent employees. The author found that the cultural diversity was a big challenge in this department. The management agrees that they are having issues with managing multicultural staff. They want to prevent liable issues concerning cultural differences between management and foreign employees of Itella OY early morning delivery. It is the reason why the author chose this topic for his thesis so that a study could be carried out on the facts and figures that would help in understanding and solving the issues between management and foreign employees of this department.

The aim of this thesis was to find out what issues were being faced by the foreign workers regarding the management of multicultural affairs within this department.

The employees experience differences in behavior of the management towards the local employees in comparison to foreign employees. The employees and the management were asked about their opinion how things are and the changes they would recommend to make this department a better place to work.

The research conducted by the author can be very useful for this department not only in central Finland area but also in other parts of the country.

## **1.1 The Author's Motivation**

After 5 years of working with Itella OY as early morning deliverer, the author has deeply and closely observed the methodology of the management towards their local employees and foreign work force. Initially when the author started working in this department, the hiring process for foreign workers was very vague. There was almost no guidance at all about rules and regulation and most importantly about the rights of an employee. Although the style of recruiting foreigners have been changed in the past years, the author still found lack of communication between foreign workers and management of this department, especially about explaining the rights they have, whereas a local Finn employee do not face such problems at all. The language barrier between management and foreign employees has been managed very well by the department, but the interaction between the management and foreign employees is poor. There is lack of social and/or informative activities between management and foreign workers of this department. Many times the author noticed that crucial information was given by a Finn colleague during a non-concerning conversation rather than being delivered by the management itself. An example of this is that the author once found out about the labor union and the benefits of being a part of it through a colleague and he was completely oblivious about it until that moment.

## 1.2 The Research Questions

- a) What is the nature of cultural diversity at Itella OY, early morning delivery, central Finland?
- b) What challenges and issues arise at the workplace due to multicultural workforce?
- c) What are the solutions for the issues related to cultural diversity at Itella OY, early morning delivery, central Finland?

## 2 Defining Culture

In this section I am going to discuss and explain about culture. The entire explanation is based on literature review. The section will highlight all aspects of culture and its practices.

### 2.1 Culture

*Culture...is that complex whole which includes knowledge, belief, art, morals, law, custom and any other capabilities and habit acquired by man as a member of society. (Holden 2002, 21)*

From the above mentioned definition we can clearly understand that culture is a concept where man has full possession. The action man takes depends on the moral values they have along with habits that occur in a society. To develop a successful culture, it is firstly essential that people within this culture have healthy communication. It is a key to healthy and wealthy society to communicate in a proper way. Culture is communication and communication is culture. It is the values, system and artifacts that develop a culture. Man and their environment

along with the features mentioned below make a culture.

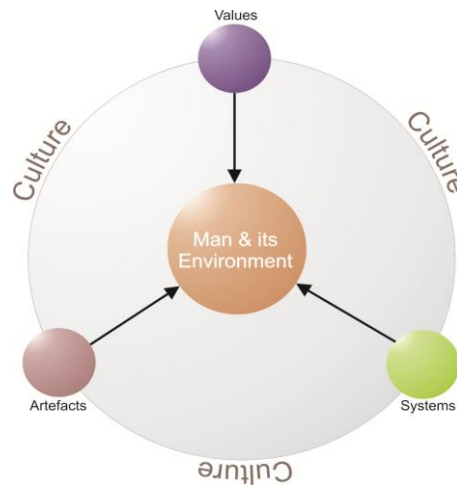


Figure 1. Culture

When discussing culture, it is very important to understand that people living in the same environment and culture have different ways of thinking and life. They may vary in their system, behavior, values and artifacts as well. In such conditions, people are expected to be treated accordingly.

It is very important to understand that culture is basically an individual's way of life. It helps them to explain or express their ideas and creativity that they inherit. A culture is a definition of the quality of life, the vitality and the health of any society. Through culture, different sects of people from different cultures transfer their way of life to others and develop a sense of belonging, personal growth and how they relate to each other.

*"Culture consists of patterns, explicit and implicit of and for behavior acquired and transmitted by symbols, constituting and distinctive achievements of human group, including their embodiments in artifacts: the essential core of culture consists of (i.e., historically derived and selected) ideas and specially their attached values; culture system may, on the one hand, be considered as*

*products of action; on the other, as conditioning elements of future action”.*  
(Holden 2002, 21)

Furthermore, from the above mentioned definition we get a clearer picture of what culture exactly is and how it impacts our way of life. It is a set of attitudes, values, beliefs and behavior shared by a group of people. But we have to remember that it is always different for each and every individual. The communication of a culture is transferred from one generation to another.

According to the definition there are three distinguishing fundamentals through which culture manifests itself

- a) Artifacts
- b) Values
- c) Basic underlying assumptions

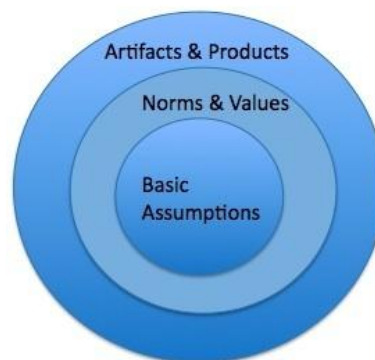


Figure 2. Culture

## **2.2 Artifacts**

Explaining the definition in detail we can see that when a person observes a culture, he/she always observes and feels its artifacts, how people behave, the way they dress, their physical layout, the manner of treating people and the emotional intensity they carry. It is also a way of communication, the dress code and the physical appearance of a society which explains how they live in their daily routine and how they like to treat people or welcome them into their culture. The emotions expressed can help in the communication with others. This shows the level of intensity they carry towards other people.

## **2.3 Values**

The definition also indicates that the study of a culture's values provides us with information about how people behave. Values are always hard to observe. In such cases, we always try to communicate with each other. For example, when companies conduct interviews, an essential part of the interview process is to observe the values of the candidate so that they can understand the cultural aspects and their values as well.

## **2.4 Basic Assumptions**

To understand more about a culture or its values, we need to dig deep and observe the basic underlying assumptions. It is a study or observation of how people perceive, feel and think. These facts are unconsciously hidden deep but are very important to understand a culture. They can only be learned by communicating to people and in return getting a response. This is how we get to know the values they carry.

## 2.5 Elements of Culture

First of all we need to understand and keep in mind that there are two types of culture that affect human behavior. According to Hayland, 2014 there are 7 elements.

Firstly, there is a strong culture within an organization; this means that the key values are held very firmly. There is no flexibility in the structure of rules and regulations. People have to follow rules and regulations without exception. They have to commit wholly to the values of the organization. Such culture within an organization is unchangeable.

On the other hand there is a weak culture within an organization, whereby values are not held strongly. People are less responsible and do not follow rules and regulations. They make their own exceptions and make their life easy. This makes an organization weak and decreases its productivity level.

Keeping in mind the two types of cultural behaviors we can discuss the elements on which a culture is based, depending on different groups and types of people. All these elements form a culture. It is very important to know and have these elements in mind before we start communicating with other people with different backgrounds, language, dwelling, way of dress, economy, religion, education, value, climate, government law or regulations, recreation or entertainment.

Communication also defines cultural values. Communication not only is how you talk with others instead communication involves the whole outlay and body language of an individual. The way one uses his body to communicate his thoughts etc. is also included in communication. Though among communication,

language barrier is one of the biggest issue. Every language has its own rules and regulations, some languages don't even have any concept of tenses so the mode an individual use to communicate is very important hence removing the language barrier.

We also have to know how people are sheltered, and what their way of living is. Personal appearance counts the most. Especially dress code can help us understand the way of life and its importance. We have to understand the economy of the people as well the economy of the state to which they belong. A person from a poor economic or underdeveloped background, should not be humiliated, but provided more respect, confidence and comfort to flourish in the new environment.

Religion is also a very important element of a culture. It is very important to understand that an individual or group of people have their own ethics. People from different parts of the world can be really sensitive towards their religion. So respect of religion should be considered while communicating and dealing with the opposite cultural group. Education is another factor that plays a vital role in a culture. It is very important to understand how an individual has been brought up. The education history and system can vary from culture to culture. Values are considered as ideas or beliefs that guide the way people live. This is a very critical part of a culture. People are very touchy towards their values, so study of values and behavior of people must be considered while communicating.

Climate varies from country to country. It is also a part of culture. So it is important to understand that people are raised in different weather conditions. It is in the nature of a human that he gets used to the new environment but it takes time. Government laws or rules and regulations can change the way of life. It is possible to adopt the new rules and regulations but a certain period of time is required; hence leniency is necessary while dealing with different groups of people with different political backgrounds. The way of life could be understood or



explained the taste of people in entertainment, the way they celebrate different occasions and what they do for fun. It can explain how people behave in their daily routine life.

## **2.6 Types of Culture**

In this section I will discuss and explain more about different types of culture. Moreover the section will identify different types of culture and how these types develop different situations within the culture.

### **Power Distance**

According to Hofstede (1991) this is a culture where people accept the inequality of power. They are ruled and given orders and directions to follow. People tend to follow orders and respect and accept their rulers merely because of their positions.

In India or Mexico people are ruled and ordered by the high authorities. There are certain position-holders with whom one cannot argue or disagree.

Perfect example in this case is of the company which don't share its ideas with the employees instead uses top down approach i.e. orders are being driven from top level management to lower level staff and they are ordered to meet those orders in any case. No sharing of ideas takes place in such organizations instead orders are given and are followed.

### **Avoidance of Uncertainty**

According to Hofstede (1991) cultures of this kind avoid uncertainties and

develop and make such rules and regulations that will help them avoid uncertain happenings in the future. People from such cultures depend more on predictability. Populations with such cultural behavior always prefer to have alternative approaches. For them it is more of a relief to have a backup plan.

## **Individual vs. Collectivism**

According to Hofstede (1991) in an individualistic culture people are responsible for themselves, and they have weak ties to their organizations. The examples of such countries are Australia and the US. People from collective cultural behaviors have strong beliefs and ties with their organizations. They are members of a certain group and hold responsibility for each other. They value a tight social framework.

## **Masculinity**

According to Hofstede (1991) in such a culture certain people (especially male) decide the future or rule others. Gender roles are clearly distinguished. Males are dominant over females and often males make decisions on behalf of women. In a culture with fewer males, people live their lives according to their own choices. They do not interfere with each other's matters; they tend to accept advice but interference or taking orders, especially in their personal lives, are not tolerated at all.

## **Orientation to Time**

According to Hofstede (1991) in such a culture there are two sects of people. One is those who can be bound by time limits. They can be given deadlines, which they are expected to reach. They are raised in such an environment, where a sense of urgency matters. On the other hand, people with short term focus

behavior do not have a sense of urgency at all. You can expect them to be late in meeting their deadlines, and sometimes giving such people deadlines can be insulting for them as well.

## **2.7 Impact of Multi-culture on Management Practices**

Special attention needs to be paid to the nature of a managerial culture within the organization. The culture prevailing within an organization can hinder or help the success of management goals and objectives. Culture can become a liability if it clashes with the values and beliefs of the management's goals and objectives. A successful culture must support the managerial strategy.

### **Impact on Effectiveness and Efficiency**

According to Drucker (1967) efficiency is about doing things right; effectiveness is doing the right things. Culture in an organization can impact these practices differently. In the same scenario, we can have different results. In a strong culture based management style there could be a strong trust among the members, a strong clarity of team objectives and no free riders hence strong incentives for cooperation.

On the other hand, where there is a weak culture, there could be lack of trust, lack of clarity of team objectives, free riding hence lack of incentives for cooperation. In such cases, the impact is negative and can hurt the values of an organization.

### **Impact on Decision Making**

The success of any organization or management depends on efficient decision making. Thus, culture plays a vital role and makes it difficult for management to

make decisions for the betterment of the organization. The management has to keep in mind the culture prevailing in an organization. The organization can always make decisions but the question remains whether it will be implemented successfully. The values of an organization are always identical but it depends on the culture prevailing within the organization, how it responds to them. A weak culture will respond in an irresponsible way, and make things more difficult whereas an efficient and strong culture will take responsibility and make things happen. For them, the top priority is to keep the values of the organization intact and strictly follow the rules and regulations.

## **Impact on Planning**

A basic management function involving formulation of one or more detailed plans to achieve optimum balance of needs or demands with the available resources. The planning process, identifies the goals or objectives to be achieved, formulates strategies to achieve them, arranges or creates the means required and implements, directs, and monitors all steps in their proper sequence.

Planning is identifying, documenting, and assigning project roles, responsibilities and reporting relationships. Thus, it is very important for organizations to consider the culture prevailing in the organization before they start planning anything. The organization has to bear in mind that a future plan should be according to the nature of the culture. Normally, we think that it is planning that drives behavior, but the reality is totally opposite. It is the culture that dictates how effectively people work and fulfill the requirements.

## **2.8 Challenges of Managing Multi-Cultural Staff**

It is very important nowadays for managers to understand the aspects of different cultures if they are to run an organization with success.

*“There is something in all countries called management, but its meaning differs to a larger or smaller extent from one country to the other, and it takes considerable historical and cultural insight into local conditions to understand its process, philosophies and problems” (Hofstede, 1993).*

Managers have to understand that culture difference is a big issue if they are to run an organization with success and they have to take culture into consideration while making decisions. People from different cultures, backgrounds, thinking, and way of life style and mind set will react differently according to the situation.

### **Diversity can lower Productivity**

According to Kottoli (2006) multicultural staff has both positive and negative aspects. People from different cultures can bring different ideas to flourish the productivity. It is also most likely for an organization to misuse the concept of diversity as well. If the multicultural backgrounds are not tackled properly, not discussed and started without any homework, it can result in low productivity, less creativity, less understanding of the problem, bad solutions and decreased effectiveness. This could only lead to faulty management process.

### **Ambiguity**

According to Kottoli (2006) ambiguity actually creates uncertainty and stress which result in lack of decision making and complexity. Multicultural staff can face this problem if managers have not taken this possibility into consideration from the first day. People are different and sometimes they need a clear picture of a plan to run it successfully. Managers have to make sure that the staff feels sure and they feel like they are in good hands. If the staff feels uncertain it will result in complex situations.

## **Lack of Preparedness**

According to Kottoli (2006) if management or managers have not completed their home work to tackle the multicultural staff they can fall apart. Nowadays Managers have to move fast and react to the situation very quickly. They need to focus on the challenges that may occur while running a multicultural staff, prepare well before time and improve communication between the staff and management.

## **Miscommunication**

According to Kottoli (2006) miscommunication is another challenge that the multicultural environment of an organization faces and management has to deal with it. In cross cultural management or environment, people have different styles of communication. They use different words and different phrases in distinct ways. The style of communication can give different aspects to the conversation. For example some people do not tolerate high volume conversation and feel that it is going towards a fight and whereas others feel comfortable and excited to listen to high volume conversations. Also people have different attitudes towards conflict. In some cultures conflict is seen as a good thing and it is a way to discuss and find solutions whereas in some of other cultures it is not welcomed at all and likely to be avoided. Face to face communication and conflict solving can be really difficult and offensive for some cultures. People from such cultural backgrounds would like to deal with the conflict directly such as the US.

## **Endless Debate on the Possible Solution**

According to kottoli (2006) where there are different people from different cultural backgrounds, they can have different opinions. Although they can see the solution of the debate but they might want it their own way. They can carry on the

debate for days but not come to a conclusion until they are satisfied with the actions.

## **Mistrust**

According to Kottoli (2006) multicultural management tends to have less trust than homogenous management. It is common in human nature to work and trust people of one's own culture more than the people of other cultural backgrounds. They do not feel secure in sharing their feelings. Here another challenge arises that people from the same culture feel more relaxed in communicating with each other and do not feel the same trust in communicating with other people. This could be because of language barrier, culture difference, and way of thinking, body language or the life style.

## **Work Stress**

According to Kottoli (2006) mistrust and lack of communication can create work stress easily within an organization. If team members even have a hint that there is some conflict and difference of opinions, work stress could take place. This only occurs when a problem or issue is not discussed openly. The problem arises when polite diplomatic approach is taken towards a sensitive issue. People take it offensively. This forced politeness can increase frustration among the staff and it can lead to an increase in stress on the management as well.

## **Norms for Problem Solving and Decision Making**

In this case the staff or management faces differences in preferences for problem solving issues. In such an environment Behfar, Kern, and Brett (2006, 240) thinks that there could be two possible situations. One half of the opinion holders might focus on hard facts while making decisions, on the other hand the other half

might focus on softer variables. This is because both parties are influenced by different cultures and tend to have different feelings towards the situation and decision making.

### **Time, Urgency, and Pace**

According to Behfar, Kern, and Brett (2006, 241) these challenges are focused on project deliverable timelines. It is a challenge for the management to create such realistic timelines which are favorable and lenient. For example, there is a time line within an organization for a project in two different markets but the time line for one market is six weeks and for the other, six months for the same project. In such a case, anger, misunderstanding and reputation arise in this kind of time management. Management sometimes cannot explain the facts that why the other group has got the exception for the same project and was given more time.

### **Violations of Respect and Hierarchy**

According to Behfar, Kern, and Brett (2006, 242) this challenge occurs due to differing respect for status, the chain of command and business practices that create power differentials. It is common for such a challenge to take place in an organization where there are two different parties with the background of low power distance culture and high power distance culture. One half is ordered to take responsibilities and on the other hand, the other half is acting as the dictator. Here management acts differently as well which can cause problems. For example, to solve an issue or to send personnel for an apology they decide to send high a ranked executive. On the other hand for a similar issue they decide to send a low rank manager for the same purpose. This could result in disrespecting the staff and drawing a picture that shows different priorities or respect towards a certain group of people.



## **Inter Group Prejudices**

This challenge is the non-work related part of an organization (Behfar, Kern & Brett 2006, 243). Here discrimination, hatred, anger and distrust take place. People from different backgrounds, culture, and way of life, gender, ethnicity and specially religion working in the same place face this challenge. Sometimes male superiors are dominant on the female staff members, this falls in the category of sexual harassment. People from different religious values working in the same organization can face different challenges, for example in some organizations, staff members from Islamic background may not be allowed to take off from work on Fridays for prayer requirements or they cannot eat the same food as other. Moreover these kinds of challenges take place where people are from different political backgrounds and they tend to have clashes between different ideologies.

## **2.9 Culture of Finland**

This section consists of detailed information on Finnish culture. In this section I will go through details about how Finns behave and how they treat other people according to their nature and culture. The information about culture includes data from [kwintessential.co.uk](http://kwintessential.co.uk) n.d.

### **Facts and Statistics**

According to facts and figures Finland is situated in the northern part of Europe. It is one of the Nordic countries of this region along with Iceland. It shares its border with Sweden, Norway and Russia. The capital city of Finland is Helsinki. Due to its geographical location, the weather of Finland is mostly cold. It has more than 60,000 lakes. According to a 2014 survey, the total population of Finland is 5,426,674 with women representing 50.86% of the population and men are 49.13% of the population. According to a survey, the ethnic makeup of the

Finnish population is the following: Finn 93 %, Swede 6%, Sami 0.11%, Roma 0.12% and Tatar 0.02%. In Finland the evangelical Lutheran religion is practiced on the majority basis with the percentage of where Evangelical Lutherans being 89%.The proportion of Russian orthodox is1%, those with no religion 9% and others 1% Finland is a republic. There are two official languages, Finnish (Suomi) and Swedish (Svenska). 93% of the population speaks Finnish whereas around 6% speaks Swedish. The facts mentioned above are also shown in the diagrams below. (Finland-Population, n.d.)



Image 1. Geographical Location of Finland

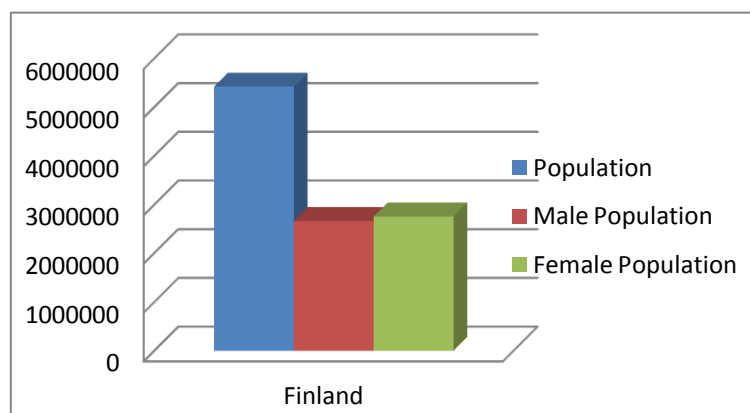


Figure 3. Population

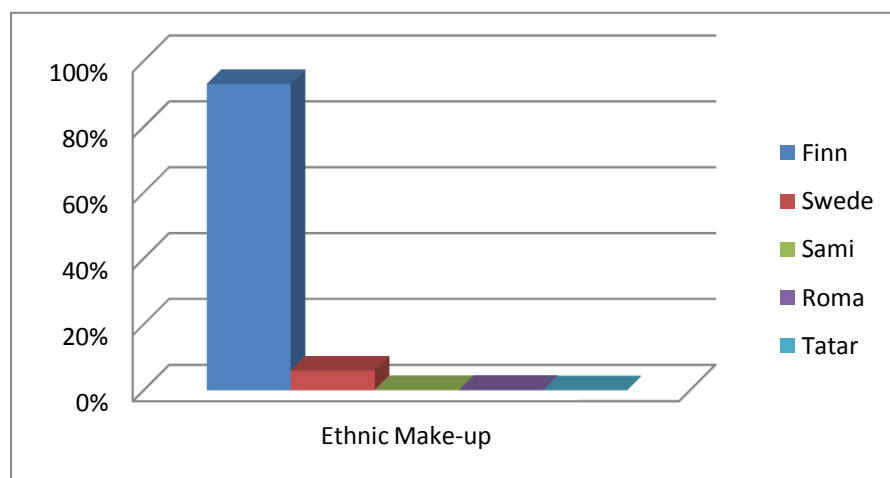


Figure 4. Ethnic makeup

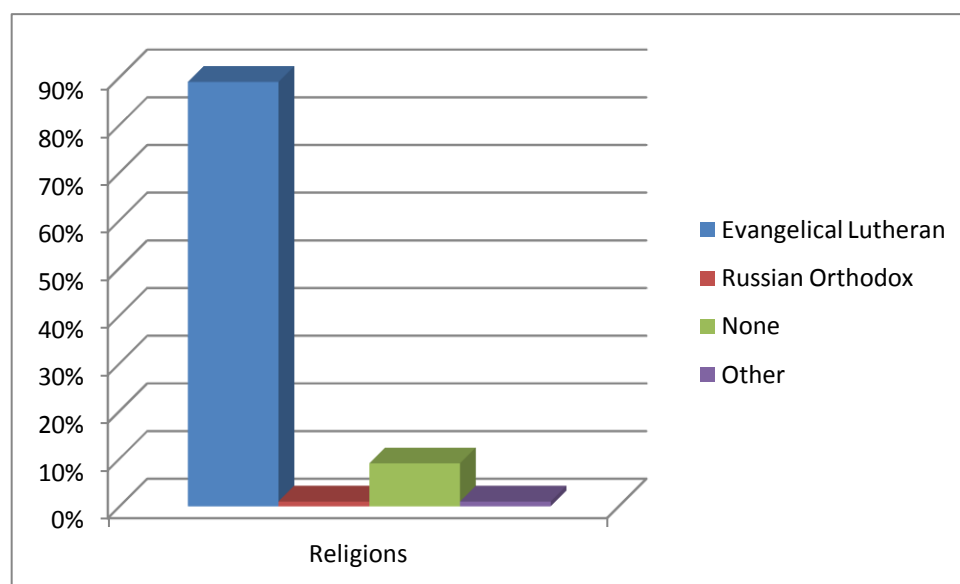


Figure 5. Religions

## **Finnish Culture and Society**

Finland along with Iceland is a Nordic country but not a Scandinavian state. The reason for this is that the language is more related to the Uralic language family. The Finns carry the same social values as the citizens of the Scandinavian countries in this origin. Due to the egalitarian society, Finland is a country where there is no difference between the genders while recruiting for employment. Usually, the Finns are very modest, hardworking, and honest and law abiding citizens. Finns behave well and, according to the circumstances, with patience. They talk with moderate tones, like to listen to those speaking and wait for them to finish before answering them.

The Sauna has a very important role in the Finnish culture. It is an activity that they share with their friends, family and co-workers. It is an interesting fact that important meetings or conversations can also take place in such a relaxed environment as the sauna is. (kwintessential.co.ukn.d)



Image 2. Finnish Culture

## **Etiquette and Customs in Finland**

Finns greet each other formally with a firm handshake, gentle smile and direct eye contact. When greeting a married couple, the wife is greeted first. If one is invited to a home, they are expected to bring flowers, chocolate and wine. White or yellow flowers are used at funerals. Hence, they are not welcomed if brought on dinner or lunch. Finns are very punctual and respect time. Outside the business hours they do not like to discuss official or business matters.

## **Business Etiquettes and Protocol**

Finns do not prefer long standing relationships in order to conduct business. While discussing business or official matters, Finns like to stay on the topic and

focus purely on the official matters. They like to listen to the speaker and comment afterwards very sincerely about what they think rather than what someone wants to hear. As mentioned earlier, a very good chance of building a better official relationship is taking a sauna bath outside the office. Finns are direct communicators. They take verbal communication very seriously and expect someone to commit to the verbal agreements as well. Finns like to keep their professional and business life separate.

Before meeting a business associate or an official, appointments have to be made. Appointments are not welcomed during holidays. One has to be punctual and respect the time agreed on. Finns are considered shy when it comes to asking questions. They expect the presenter to present the case as detailed and clearly as possible. Exchanging business cards is welcome. It is very important that the contact details are readable on the business cards.

## **2.10 Working Culture of Finland**

Now I will explain about working culture of Finland. This section includes information from infopankki.fi n.d. Moreover I will explain different working behavior of Finns as well.

### **Equality and Equal Opportunities in Working Life**

At a Finnish work place everyone has equal rights and opportunities. There is no discrimination in the working culture. Regardless of their positions and posts, supervisors or bosses are called by name. Everyone's opinion and suggestions are always welcomed with an open heart, and taken into consideration, and also implemented if applicable.

## **Initiative and Responsibility**

There is another ethic in the working culture of Finland that employees are briefed about their duties and responsibilities in a meeting held after a scheduled time. The agenda of the meeting is always very clear and to the point. The supervisors brief and appoint responsibilities to the employees and expect them to perform as guided or needed. The employees work independently, and take full responsibility at work.

## **Reliability and Observing Timetables**

Punctuality is something that runs through Finns' blood. Finns are very punctual and respects time. Being late is very impolite, but if someone is late, then there is no harm in informing the supervisor about it. The supervisors rely on their employees blindly. Once a task is decided and agreed upon then there is no question of delaying it. Hence it is very important for an employee to pay attention while a task is being briefed. It is a mutual commitment between a supervisor and employee that to run a successful organization everyone has to do what has been decided.

## **Style of Communication**

Finns are usually outspoken people. It is not an impolite gesture at all to speak out. It is considered as making one's point clear and deciding upon a task. Finns stay to the point during the meeting and try to brief and take orders in detail. This is to make sure that no problems or hurdles occur while a task is going to be performed independently by employees.

## **Effect of Religion on Working Life**

According to the information in Finland all religions are welcomed and treated equally at a work place. There is no discrimination on behalf of religion at all in Finnish culture. All religions are respected and especially at a work place. For example if someone has to pray during a working day, he or she is allowed to do that, but there has to be an agreement on that beforehand with the authorities. Another example is that head scarves are permitted at a work place but there is no excuse at all about the clothing; there is a set standard for clothing that is to make sure of safety of the employee. It is offensive to talk about religion with someone, if the person has not allowed sharing his religious feelings.

## **2.11 Every Day Life at a Workplace**

This section will explain in detail everyday life at a workplace. The section will be explaining how people work, treat people, like to be treated and how they behave at a work place.

### **Internal Communication at a Work Place**

Internal communication is done through meetings most of the time. All the basic and necessary information is provided at the meeting. In addition employees have time to discuss matters, give suggestions and clear their mind regarding the matter. Other than that communication takes place via electronic mails. Employees are expected to check their inboxes all the time and to keep track of all communication.



## **Breaks**

Break timings are included in the contract of the employee. Usually breaks are divided into one coffee break in the morning, and lunch and coffee breaks in the afternoon. The breaks are designed to keep the work force efficient. Eating is arranged either by the work place or sometimes workers have to bring their own food. Most of the workplaces do have their own kitchen and dining areas.

## **Taking Care of Personal Matters during a Work Day**

Finns are very loyal and hardworking people. They keep their professional life and working life separate. During the working hours one cannot take care of personal business, as it is not permitted at all. One has to perform with one hundred percent devotion within the working hours mentioned in the contract of employment. There are some exceptions all the time at a workplace. If you have an urgent doctor's appointment for example, you can make a deal or inform your supervisor and attend it.

## **Work Related Training**

In Finland it is very important to make sure that an employee is well trained before performing his duties; hence even if an employee has the required training employers are encouraged to take additional training before starting the work. Training hours are held during the working hours and an employer pays regular salary for both trainers and trainees.

## **Presents**

Usually presents are not welcomed during the working hours but on special occasions like birthdays, marriage or retirements, the coworkers usually give small gifts to each other.

## **Holidays**

In Finland holidays are usually granted in the month of May. The number of holidays depends on the number of hours an employee has worked. In Finland the system of holidays is very good. Workers get a reasonable amount of holidays after every year, so that they can spend time and relax for a while. The holidays play a vital role in making a Finnish work place efficient.

## **Well Being at Work**

Work places in Finland try their level best to provide their workers facilities as much as possible. An employee during work is insured and has free medical checkup. There are other programs depending on the work place. Usually workplaces try to engage their workers in other curricular activities as well. There are discounts for employees for clubs, health centers, swimming pools and gyms.

## **2.12 The Diversity Charter**

The diversity charter is a written commitment that can be signed by any company. The size of the company does not matter at all. The charter is used to control discrimination in the workplace and make decisions towards creating diversity. It shows how a company is willing to fight against discrimination and make a workplace better. Information is collected from fibsry.fi 2013.

## European Charter of Diversity

The EU charter of diversity covers the companies that operate on the EU level. It also covers the nation level charter and operates along with it and monitors it as well. The charter has helped decrease discrimination in the EU area. The EU charter has always attempted to make companies interested in signing the charter in the EU area. The charter is very important to sign for any company.

It can develop a sense of motivation and momentum within a company to embark upon developing and implementing new diversity policies. The diversity charters have been already established in 12 EU countries. The EU charter has six general objectives.

1. To improve the knowledge and understanding of the situation prevailing in the member states (and in other participating countries) through the analysis, evaluation and close monitoring of policies.
2. To support the development of statistical tools and methods and common indicators, where appropriate are broken down by gender and age group, in the areas covered by the program
3. To support and monitor the implementation of community law, where applicable, and policy objectives in the member states, and assess their effectiveness and impact.
4. To promote networking, mutual learning, identification and dissemination of good practice and innovative approaches at the EU level.
5. To enhance the awareness of the stakeholders and the general public about the EU policies and objectives pursued under each of the policy sections.
6. To boost the capacity of the key EU network to promote, support and further develop EU policies and objectives where applicable

## **The Finnish Diversity Charter**

The diversity charter of Finland was initiated in Helsinki on 3<sup>rd</sup> of October 2012. Initially, it was signed by 18 companies and organizations. By signing the charter, these companies and organizations committed to find competitive advantage in diversity. The network provides information about the best diversity management practices and support business in their diversity and business development work. In Finland, taking diversity into account means offering equal opportunities at work as well as guaranteeing the services accessible for everyone. The following are the four principles of the Finnish charter of diversity.

1. We offer equal opportunities.
2. We recognize and utilize individual know-how and needs.
3. We manage our staff and customers with fairness.
4. We communicate our goals and achievements.

There are 29 signatories of the charter in Finland. By signing the charter, these 29 organizations agree to offer equal opportunities to the employees regardless of their race, religion, gender, color or disability. These organizations and companies will adopt such strategies that helps in recognizing and utilizing individual know how and needs. The charter is an oath that the company will treat their staff and customers with fairness with no discrimination shown on any basis. The most important part of the charter is that all the goals and achievement set by the company will be communicated to its employees and customers. [This way they strive to move forward like a team.

## **3 Research Method**

In this research qualitative approach was adopted which was appropriate given the size of the sample and nature of the study. I invited co-workers and managers to provide their responses through an online survey using Google forms. The

online survey option was chosen for convenience and its appropriateness with the modern society to attract maximum responses. Secondary data was also collected to supplement the primary findings. I selected this method because for me the most important thing was to be specific and certain with my research and results.

### **3.1 Qualitative Research Method**

*“Qualitative research is an inquiry process of understanding based on distinct methodological traditions of inquiry that explore a social or human problem. The researcher builds a complex, holistic picture, analyzes words, reports detailed views of informants, and conduct the study in a natural setting” (Creswell 1998)*

As defined above my motivation and the purpose of using the qualitative approach was that it gives in depth examination of the phenomena, the information that is used is subjective, it deals with the value laden questions, and it helps in building up new theories. In this thesis it was important to adopt this method because it will be easier to identify and understand the targeted problems.

This method was executed and a questionnaire survey was distributed among 17 people. The target was to achieve maximum variety in the result. Hence the survey was distributed into 17 people from different background, culture, religion, race and nationality. The questions in the survey were direct and to the point. It helped the workers to answer accordingly and stay to the topic.

The selection of the interviewees was based on the author's personal connection and also the idea of getting variety in replies was kept in mind. The questionnaire distributed was in English. As the survey was mainly done with the qualitative approach, it helped in summarizing and analyzes the research results.

### **3.2 Strengths of Qualitative Research**

The strength of qualitative research method is that it suits the small scale sample size. In case of this thesis this research method was very useful. There was need for such method which could be exploratory. It is useful for the open ended question technique. This allows participants to answer the questions in their own words. The qualitative data is rich and exploratory by nature. It allows the participant to express their answers in relax environment instead of forcing them to choose from fixed responses. In this thesis it was very important that each individual provided their own information regarding the issue. It was only possible by conducting qualitative research method. Qualitative research becomes very handy when describing complex phenomena.

Another strength of qualitative research method is that the research framework and directions can be easily revised as new information emerges. The data that is collected from the participants are more accurate, strong in nature and is more compelling than the quantitative method. Overall qualitative data can be declared as very useful for small sample size.

## **4 Case company**

The case company that I have chosen for my research is Itella OY. The department that I am going to research on is the department of early morning delivery, Central Finland. I will firstly explain about the company itself and its operations. The information on this section is collected from itella.fi n.d.

## 4.1 Itella Oy

Itella OY is a service providing company. Its core competence lies in information and product flow management for its key customers. Itella OY offers corporate customers a solution that enables them to enhance their competitiveness and run their business more successfully. Itella OY is a wholly state owned company. Therefore, its key mission or responsibility in Finland is to provide daily mail delivery nationwide. Itella OY also has contracts with the local newspaper publishers and magazines publishers. The delivery of such products is covered in the early morning delivery. Business customers accounts for approximately 96 per cent of the net sales. Itella OY operates in Europe and Russia. The share of international business is one third.

The Net sales amounted to EUR 1,947 million in 2012. Itella OY provides work for around 27,500 professionals. Itella OY is wholly owned by the State of Finland. The detailed numbers of personnel by business groups and by countries are as follows.

Table 1. No. of Personnel

Itella mail communication	17,844
Itella Logistics	7,391
Itella Information	2,168
Group and Other activities	413
In Finland	21,819
Other countries	5,997

## 4.2 Itella OY Groups

Following are the three main groups of Itella Oy. The detailed information about the groups and their operations will be provided in this section.

### Itella Mail Communication

Itella OY mail communication provides daily mail services that include letters, parcels, direct mail and publications. These services are performed nationwide in Finland and also worldwide with the help of its partners. Itella OY provides its customers with the facility of multi-channel Posti services related to sending and receiving mail, doing business, contact information management and staying in touch with family and friends. Itella OY has always been engaged in developing new ways for physical and electronic communication. Itella OY mail communication operates in Finland, Russia and Estonia. In Russia, Itella OY mail communication is engaged in providing customer relationship marketing services whereas in Estonia Itella OY provides the service of sending and picking up parcels.



## **Itella Information**

Itella OY Information offers financial process information as a service. It improves the efficiency level of financial and accounting processes with readymade and modular services based on best practice.

## **Itella Logistics OY**

Itella logistics OY provides service logistics solutions for road, sea and air freight, ware-housing and other contract logistics. The logistics services of Itella OY consist of 30 offices in eight countries in Europe and Russia.



Image 3. Itella Logistics

## **4.3 Itella's Mission**

Itella's mission is to ensure the delivery of important items of customers both in physical shape and digital shape. Itella OY has always paid very close attention to the environment safety. It is also known as Itella green, where taking care of

environment comes at the highest priority. Itella OY makes sure to take care and responsibility as a service provider. The process of delivering messages and goods of their customers with responsibility is the main priority. Their mission reflects their saying that they are easy, fast, reliable and responsible.

## **4.4 Itella's Values**

Itella's priorities are day to day activities and work of their employees. The employees of Itella OY keep their promises and are growing in their performance to develop maximum customer satisfaction. Itella OY has kept their general etiquette as an integral part and a common thread throughout the day to day activities. It helps improving customer satisfaction and making positive decisions.

Itella pays a lot of attention to customer satisfaction. Itella believes that their success lies with the success of their customers. Itella is always looking to improve to maximize customer satisfaction. Punctuality plays a vital role for Itella when it comes to winning customers' trust. For this Itella monitors and checks for improvement all the time.

Reliability is also a factor that Itella has developed over time. Itella claims to be a very reliable company and keeps promises that they make. For the employees of Itella it has been made clear that promises made to the client must be fulfilled and will be exact and on time.

Itella's key to success is their affective partnership. Itella work force works as a group and tries to improve all the time. The management of Itella is always engaged in being innovative and bringing up new ideas every now and then. The capabilities and the efforts of individuals of Itella are always valued and praised.

## 4.5 Itella OY Central Finland

Itella like all over Finland also operates in the central part of Finland. Operations Itella carries on a daily basis in central Finland are daily mail delivery, parcel service, early morning newspaper delivery and advertisement distribution.

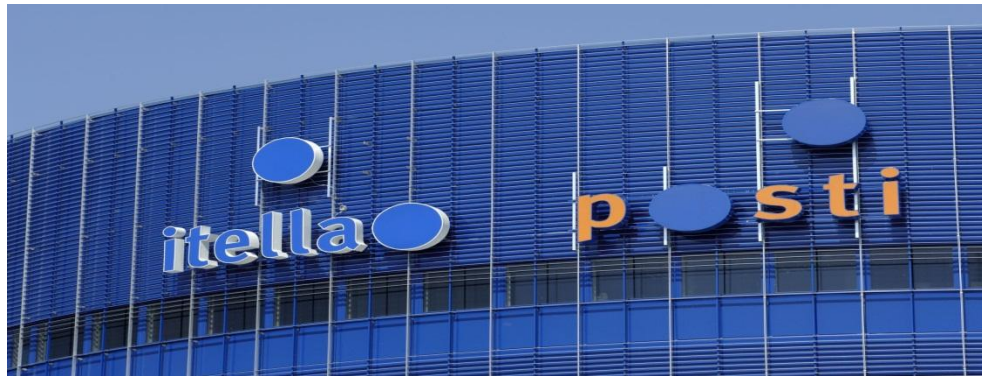


Image 4. Itella Oy

### Early Morning Delivery

Newspaper delivery and advertisement distribution is an operation that Itella does not perform in every region. It is based on the contracts that Itella acquires for a period of time to perform such operations. In central Finland Itella has a contract with local newspaper, keskisuomalainen and a newspaper from the capital city Helsingin Sanomat. Itella also has a contract with a couple of local advertisement distribution papers, KotiPeili and Jyväskylän kaupunkilainen lehti respectively. These papers are delivered in central Finland region responsibly by Itella's early morning delivery department.



Image 5. Early Morning Delivery

### **Work Force of Central Finland (Early Morning Delivery)**

In order to perform the above mentioned contract based tasks, Itella hires workforce separately, both managerial and on field staff. This means that Itella hires employees to carry out these contracts based tasks only and these employees are not part of other daily functions of Itella. They are also called early morning delivery employees.

## **Managerial Team**

The managerial team of the early morning delivery service is made up of local Finnish people. The reason for foreigners not being included in the managerial staff is the language barrier. The managerial staff comprises a full time head supervisor, a vice supervisor and a secretary. The official working hours for the managerial staff are 9:00-16:00 and 24:00-8:00.

## **On Field Employees**

The employees that carry out the practical or physical work of delivering newspapers and advertisements are both local and foreigners. The reason for hiring foreigners is that for these tasks there is less or no need at all to use the Finnish language. The official hours of these tasks are 24:00-06:00, the official hours explain that there is almost no chance of having customer relation or communication in these hours.

Today, there are 129 on field employees that work for Itella in central Finland for early morning delivery operations. There are 100 local employees and 29 foreigners respectively. The foreigners that work for Itella in central Finland region represent the following countries: Bangladesh, Ghana, Cameroon, Kenya, Morocco, Nepal, Pakistan, Nigeria and Nepal.

## **Reasons behind Hiring Foreigners**

Itella has always been engaged in actively hiring foreigners for such tasks. The majority of the foreign work force includes students from the local university of applied sciences or the university. This kind of work suits students best because there is no language barrier or requirement to perform such tasks. Itella offers part time work to foreigners. It is suitable for them so that they can work in the

early morning and then make good use of the whole day for their educational activities. Itella makes a handy use of hard working multicultural work force from around the world.

## **On-Field Working Environment**

Generally, the work that employees carry out on the field is tough. It is carried out on six consecutive nights with two days off. The working hours are at night or early morning from 24:00-6:00. The delivery is either done by bike or car. The cars used during the work are either owned by Itella or private cars owned by employees. During summer, the working environment is not that tough as there is no snow, and the nights are not dark in Finland. Later in the year, things get tougher during the winter. Nights are dark, it snows a lot and the weather conditions are severe. Especially during the time of the night when employees start their work, there is no snow cleaning service. Employees with bikes have to suffer a lot during this time period. It is most likely for accidents on work to happen easily at this time of the year. Employees with cars also face difficulties during a heavy snow fall. Cars can slide in the snow or accidents can happen during the work as well.

These circumstances and weather conditions affect foreigners more than locals. There is no doubt that locals do face these problems too but it is obvious for them to tackle the situation better. Foreign employees are not used to these conditions, as many of them are from warmer countries or have not done this kind of work earlier in their lives. It can also be due to lack of training of foreigners.





Image 6. Field Work

## 5 Analysis of the Responses

I formed a questionnaire that was issued within the employees and management of Itella Logistics OY, early morning delivery, central Finland. As far as management is concerned, 2 personnel, a senior level supervisor and a junior level supervisor entertained my request. On the other hand, 17 employees did participate in the exercise and shared their comments. Out of these 17 employees, 12 were Pakistanis and remaining 5 were mainly from African region.

### 5.1 Findings

The questionnaire was very well entertained by the employees and management. Among them, mix response was identified which I am writing below.

## **5.2 Awareness of Finland's Charter of Diversity**

Both the personnel of management did agree that they follow the charter and have develop a separate code of conduct for the employees to maintain discipline but as far as employees are concerned, 33.3% of Pakistanis know about the charter, whereas rest have no idea about it. As far as African work force is concerned, 60% of them have the knowledge about the charter. All the employees, who knew about the charter, did mention that it is their own knowledge and nothing has been transferred from the management.

## **5.3 Equal Opportunities**

Both the member of management did agree that they provide equal opportunities to all the employees. They resolve conflicts, if arise any, due to difference in culture and hence they are keen to maintain a discipline and equal opportunities to every individual working at Itella.

On the other hand only 41% Pakistanis agree that they enjoy equal opportunities whereas only 40% of Africans agree that they enjoy equal opportunities. Main reason among the disagreed person from both nationalities is the salary as they believe that they are not offered the same salary as locals enjoy.

## **5.4 Communication between the Management and Employees**

Out of 2 management personnel, senior mentioned that it is not an easy task as most of the employees do work at night and they are not present at that time, only employees who share their experiences with the management at day time are considered but it is not considered as an important task, while the junior



manager mentioned that employees are properly communicated so that management do get a suitable idea about their employees.

As far as employees are concerned, 75% of Pakistanis agree that their needs are considered by the management. Whereas only 40% of Africans agree that there is no communication gap between management and employees.

## **5.5 Communication of Goals and Achievements**

According to the management, goals are properly communicated to employees and employees are being informed by monthly letters that are sent by management to inform employees about future prospects etc.

83% of Pakistanis agree that goals and achievements are properly communicated though one did mention that only providing leaflets is not enough as they want to have meetings on regular basis to be updated. On the other hand, 80% of Africans also agreed to the point.

## **5.6 Resolution of Issues Arising Due to Cultural Diversity**

Both management and most of the employees agreed at this point that issues, if occur any, are resolved immediately though many employees mention that they haven't experienced any serious cultural issues yet.

## **5.7 Training Process**

Management did mention that they have proper training methods which they transfer to the employees whereas employees also learn the work with their

experience. All the employees do agree that they have no problem in carrying out their work, though one employee did mention that procedures management has for their Finnish employees are not used for other employees from different nationalities.

## **5.8 Management Behavior with the Employees**

Management believes that every individual is treated warmly at Itella OY, early morning delivery, central Finland but if the quality is lacking then management may sometime take serious actions despite considering the nationality. All the employees though mention that management's behavior is extremely friendly with them and they don't have any problem.

## **5.9 Language Barrier**

Language is not a barrier at Itella OY, early morning delivery, central Finland. Management has the expertise in English so that there arise no communication gap. Also employees are very satisfied as all the communication is done in English and they found no issue. Although one employee did mention that other than paper delivery, there is no department in which employment is open for employees outside Finland as they accept only Finnish language skills.

## **5.10 Extra Activities**

There are no such extra activities at Itella OY, early morning delivery, central Finland, except for annual Christmas dinner. Management believed that employees are well versed so arranging any activity for all of them is not possible.

On the other hand, most of the employees feel that extra activities could break a barrier between management and employees, only those who don't have much interest in extra activities feel that it will earn no real success.

## **5.11 Rights and Liabilities of Employees**

Management believes that right and duties are properly communicated to employees though they believe that employees should also take active part in understanding their rights and duties. Contrary to this, 60% Pakistani employees feel that they are fairly communicated whereas other believe that they are aware of their rights and duties but management should also be aware of their duties. Whereas Africans overall agree that there is no issue between rights and duties on either end.

## **5.12 Accident Ratio**

There was an inquiry that management of Itella OY, early morning delivery, central Finland wanted to do. A survey done by the management earlier showed that there was higher accident ratio between foreign workers than locals at work. According to the information provided by the management there are 100 local employees and 29 foreign employees. The key point of this was to search possible findings that why foreign employees face accidents at work more than the local employees.

In this regard, only employees were asked about their suggestions. 80% of the employees agreed that there was low training provided by the employees, as they come from different culture and have not done this kind of work before, in such extreme weather conditions that they face in winter especially. Rest 20% said it was because of the climate change. Respondents did mention that for the local Finnish employees there is more awareness than the foreigners. Locals are educated by the professional physiotherapists every now and then, where the physiotherapist visits the work place and deliver instructions in person. Locals are guided properly and instructions from the doctors and physiotherapists are available for them in Finnish language. Whereas foreigners have never been

taught like this in past 5 years. No such session that had been held by the management at all for foreign employees. Many of the foreign employees expressed that if such actions were taken, they could result in better performance and minimize the ratio of accidents. Nobody wants to be a liability than being an asset.

## 6 Conclusions

Overall findings from my analysis reveal that it is not culture that makes a difference within an organization. What matters the most is the strength of management in formulating and implementing the laws within an organization and how well they manage the multi-cultural employees within their organization. My study consisted of employees and management of Itella OY, central Finland.

Management is keen to find the problems within Itella OY, central Finland and they participated actively in the questionnaire and ask for better solutions, if there are weaknesses. This shows that management is keen to improve its working environment and want to make their working place an equal opportunity place for all employees. Management wants to resolve multi-cultural issues as well while maintaining the organizational rules and policies so that every employee gets a chance to participate in the betterment of the process, working environment and ultimately benefitting the organization.

On the other hand, employees mainly from Pakistan and Africa participated in the questionnaire and everybody has his own opinion about the organization and its management. Not for a single question, I can conclude that the problem is cultural instead it's on individual basis so I can't say that because Pakistani employees are different from Africans and Finns so they are facing a similar problem. Neither had I concluded that a pleasing affect for one employee is surely a pleasing affect for the other employee of same nationality and culture.

So conclusion is that the only thing that makes a difference is the personal perception of the individual and not the culture. Every individual, if given the equal opportunity and equal rights will do the work up to his capabilities despite the difference in culture. If management sets equal rules and regulations for all cultures within their organization, including their nationals then only challenge management may face is the implementation of those policies. If it implements its policies fairly and equally and those policies are for the betterment of the organization and employees as well then every employee will strive to work harder which will ultimately benefit the employee as well as the organization.

## 6.1 Suggestions

1. Provide learning and definite knowledge to foreigners is not up to mark. Management needs to have continuous sessions with the employees so that necessary knowledge about Finland and its environment can be transferred to employees otherwise everyone will understand it according to his desire and mindset which won't help in resolving conflicts if arise.
2. Salary package should be same for all employees working in this department of Itella OY, central Finland. It should not be that locals are given priority over other nationalities. Every employee working in this department should be treated equally so that employees work with motivation. If there is a misunderstanding about the equal distribution of salary, and the management thinks that there are no such differences that prevail in the department, then it should be explained to foreign employees as well so that they know that there is equal distribution of salary.
3. Periodic discussions should be conducted with the employees by management. It will help in finding problems of employees and rectifying those problems which will help in improving the working environment of this department. Sending informative letters by posts is a very good gesture but there is need for more interaction between management and employees face to face as well.

4. Employees sometimes found that they have the expertise and required knowledge to work in other departments as well but just because of language barrier they didn't get a chance. Though English language is being promoted to resolve language barriers but it should be the case in other departments as well so that employees may get a chance to excel and work for the betterment of the organization and the economy as well.
5. Extra-curricular activities play a vital role in developing a sound interest within working environment but unfortunately this is missing within the department. Other than job, employees should be provided with entertainment opportunities like any games event. It will not only motivate them but will result in getting close to each other. Employees will get a chance to know one another and will result in removing any kind of cultural barriers that may exist within employees. According to the management, their resources are limited. In this case, the management could ask for a small entry fees from the employees as well and this way they can share the cost as well. Also there could be a possibility of involving foreign employees in arranging such events. Another example could be that on every annual Christmas dinner there is an opportunity for the management and employees to sit in a friendly atmosphere that can result in reducing the communication gap, whereas, current situation does not support the previous statement. I as a worker have noticed that on annual Christmas gathering foreign employees and management of this department have either separate tables or management has already eaten.
6. Some accidents occurred due to extreme weather conditions which other nationalities found difficult to handle. Management should have training sessions so to train individuals about how to tackle extreme weather conditions and hence avoid accidents. As mentioned earlier that for local employees there are sessions held where an expert physiotherapist trains employees and guides how to carry out work. For example how to lift weight, the correct sitting positions, how to climb stairs etc. This helps in avoiding accidents and on field physical injuries as well. This kind of

session should be arranged at least once in a year for foreign workers as well. This will help a lot in improving health conditions of the employees and prevent injuries. Sending safety leaflet to the employees that include information in text is a positive step but not sufficient.



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## Appendices

### Appendix 1. Survey Questionnaire for Foreign Employees of Itella OY

Early Morning Delivery, Central Finland

**\*Required**

Name

Gender\*

Age\*

Nationality\*

Working Hours per Night/Day\*

Duration of Employment\*

Working Shift\*

- Day Shift
- Night Shift

**Q. 1** You are aware of Finland's charter of cultural diversity.

- Strongly Agree
- Agree
- Neither Agree or Disagree
- Disagree
- Strongly Disagree

**Please Comment**

**Q. 2** To what extent do you think that management is following the charter of Finland for managing cultural diversity within its department?

- Very Well
- Fairly
- Poorly
- Not At All

**Please Comment**

**Q. 3** How strict is the management in following the company's standards for managing cultural diversity?

- Extremely Strict
- Fairly Strict
- Somewhat Strict
- Not At All

**Please Comment**

**Q. 4A** worker enjoy equal employment opportunities within your department.

- Strongly Agree
- Agree
- Neither Agree Or Disagree
- Disagree
- Strongly Disagree

**Please Comment**

**Q. 5** To what extent do an individual's know-how need are considered by the management?

- Very Well
- Fairly
- Poorly
- Not At All

**Please Comment**

**Q. 6** How well is fairness practiced by the management of this department?

- Very Well
- Fairly
- Poorly
- Not At All

**Please Comment**

**Q. 7** Goals and achievements are communicated to you by the management?

- Strongly Agree
- Agree
- Neither Agree or Disagree
- Disagree
- Strongly Disagree

**Please Comment**

**Q. 8** How well does the management resolve the conflicts, if any, that arises due to cultural diversity?

- Very Well
- Fairly
- Poorly
- Not At All

**Please Comment**

**Q. 9** How friendly or supportive is the management?

- Extremely Friendly
- Fairly Friendly
- Somewhat Friendly
- Not Friendly At All

**Please Comment**

**Q.10** How well trained is you to carry out your work on field?

- Very Well
- Fairly
- Poorly
- Not At All

**Please Comment**

**Q. 11** How would you rate the language barrier between workers and management?

- Very Well Managed
- Fairly Managed
- Poorly Managed
- Very Poorly Managed

**Please Comment**

**Q. 12** How much do you think the friendly activities can benefit the relationship

between foreign workers and managers? (Sports, Dinner, Get together etc.)

- A Lot
- Somewhat
- Not Much
- Not At All

**Please Comment**

**Q. 13** How well are you aware of your rights and responsibilities?

- Very Well
- Fairly
- Poorly
- Not At All

**Please Comment**

**Q. 14** How satisfied, overall, are you with your job role?

- Extremely Satisfied
- Fairly Satisfied
- Somewhat Satisfied
- Not At All

**Please Comment**

**Q. 15** How would you compare your level of satisfaction to a year ago?

- Extremely Satisfied
- Fairly Satisfied
- Somewhat Satisfied
- Not At All

**Please Comment**

**Q. 16** According to your opinion, what are the main reasons behind higher on-field accident ratio among foreign employees of this department?

(A survey done by Itella OY, identifies that there is higher accidents ratio among foreign employees in compare to local employees during working hours, this includes car accidents, injuries etc.)

**Please Comment****Appendix 2. Survey Questionnaire for Itella OY Management**

Early Morning Delivery, Central Finland

**\*Required**

Name

Gender\*

Age\*

Duration of Employment\*

Job Description\*

Level of Management\*

- Senior Level Management
- Junior Level Management



Working Shifts\*

- Day Shift
- Night Shift
- Both

**Q. 1** You are aware of the Finland's charter of diversity?

- Strongly Agree
- Agree
- Neither Agree Or Disagree
- Strongly Disagree

**Please Comment**

**Q. 2** How do you manage cultural diversity within your department?

- Very Well
- Fairly
- Poorly
- Not At All

**Please Comment**

**Q. 3** You use Finland's charter of diversity to identify and manage cultural diversity.

- Strongly Agree
- Agree
- Neither Agree or Disagree
- Disagree
- Strongly Disagree

**Please Comment**

**Q. 4** How would you rate equal opportunities within your department?

- Very Well Managed
- Fairly Managed
- Poorly Managed
- Very Poorly Managed

**Please Comment**

**Q. 5** Do you take out time to learn about your employee's background?

- Strongly Agree
- Agree
- Neither Agree Or Disagree
- Disagree
- Strongly Disagree

**Please Comment**

**Q. 6** How well do you commune your goals and achievements to the employees?

- Very Well
- Fairly
- Poorly
- Not At All

**Please comment**

**Q. 7** How well does the department towards a problem?

- Very Well
- Fairly
- Poorly

- Not At All

**Please Comment**

**Q. 8** How well trained is the on-field working staff?

- Very Well
- Fairly
- Poorly
- Not At All

**Please comment**

**Q. 9** How friendly or supportive is the department towards their foreign employees?

- Extremely friendly
- Quite Friendly
- Somewhat Friendly
- Not At All

**Please Comment**

**Q. 10** How well the language barrier is managed form the departments end?

- Very Well
- Fairly
- Poorly
- Not At All

**Please Comment**

**Q. 11** Has the department been involved in a friendly activity with foreign workers? (Sports, dinner, etc.)

- Strongly Agree
- Agree
- Neither Agree Or Disagree
- Disagree
- Strongly Disagree

**Please Comment**

**Q. 12** How well are the foreign workers aware of their rights and responsibilities?

- Very Well
- Fairly
- Poorly
- Not At All

**Please Comment**

### **Appendix 3. Itella Employee Code of Conduct**

At Itella Group we comply with responsible and ethical practices and procedures, described on a general level in the Itella Corporate Responsibility Principles and more specifically in this Code of Conduct drawn up for our personnel.

The purpose of this Code of Conduct is to provide all levels of Group operations with standard guidelines. This Employee Code of Conduct contains the core issues which help Itella employees to choose the correct course of action in working life situations that demand personal discretion and judgment. However, it cannot give detailed instructions for all possible scenarios. Rather, it functions as support in situations which involve problems and demand solutions. Shared, ethically acceptable procedures and practices reinforce the reliability of the operations of Itella Group and promote the transparency of operations in relation to all of our stakeholders, customers, our personnel, owner, and the surrounding society as a whole.

The Employee Code of Conduct concerns everybody who works for Itella Group - both

Management and employees. Every Itella employee must study this Code of Conduct and agree to comply with it in terms of their own work. Activities which deviate from this Code of Conduct may prove to be materially detrimental to Itella. Because of this, any individual who breaches this Code of Conduct may be subject to serious consequences.

#### **1. Complying with laws and regulations**

We comply with all applicable laws and official regulations and instructions in all operations of Itella Group. We respect the norms and legal procedures of different cultures wherever we operate. In incidents and situations demanding interpretation we obtain advice from experts to establish the correct practice or procedure. If local customs, laws, or regulations depart from this Code of Conduct, we comply with the stricter one of these.

## 2. Business and Procedural principles

We comply with legal and fair principles regarding Itella's business and promote openness and transparency. All of our activities comply with the shared values of Itella and we hold our commitment toward customers and other stakeholders in respect. We retain the confidentiality of the trade secrets of Itella and its business partners. Itella's communications principles are based on openness, reliability and timeliness. We develop active interaction with all our stakeholders. We are committed to the Global Compact principles of the United Nations concerning, among others issues, fundamental rights of labor, environmental protection, the eradication of corruption, and human rights.

## 3. Working

In our work we comply with the instructions provided and, for our part, maintain a functional, open, and safe working environment and promote well-being at work. We value each other and will treat everyone non-discriminately regardless of race, religion, gender, political opinions, age, nationality, sexual orientation, civil status, or disability. We always work according to Itella's corporate security guidelines and report on any deficiencies observed in industrial safety. We also respect each other's privacy and the confidentiality of personal information. At Itella, we comply with good management practices and develop supervisory skills continuously.

## 4. Conflicts of interest

We refrain from business relations which may create a conflict of interest between Itella and a third party. We agree to avoid such personal or financial engagements which may bring about a conflict with our obligations towards Itella.

## 5. Unethical commercial practices and procedures, bribery

We do not employ illegal or irregular or unethical commercial practices or procedures. We do not pay bribes or give any other unlawful financial benefits to

any authorities, customers, or other parties under any circumstances. We do not give nor receive bribes or gifts or services which exceed normal and conventional hospitality or which are subject to more specific instructions. In unclear situations, we find out the Group-approved practice beforehand, by sending an e-mail to [ethics@itella.com](mailto:ethics@itella.com).

## 6. The environment

Itella Group is committed to reducing the environmental impact of its operations. In practice, environmental responsibility translates into an awareness and reduction of the environmental impact of one's own activities. We promote the realization of Itella's environmental goals in our daily work by complying with the provided environmental rules and recommendations on, for instance, recycling, energy conservation, and economical driving, and with other operational instructions involving equivalent matters.

## 7. Instructions in practice

The Employee Code of Conduct concerns every individual who is employed by Itella Group. The instructions are implemented in all Group companies with decisions adopted by their respective boards. Following the adoption of the instructions each Group company ensures that every employee is familiar with this Employee Code of Conduct and complies with it in all their activities.

The Group maintains a system which enables employees to report any activity that contradicts laws or this Code of Conduct. Every Itella employee who becomes aware of or suspect's activity in violation or breach of laws, this Code of Conduct, or Itella-approved practices is obligated to report his or her suspicions to a supervisor, the Business Audit unit, or via e-mail to [ethics@itella.com](mailto:ethics@itella.com).

Supervisors must report any suspicions that come to their knowledge without delay either to the Business Audit Unit or to the e-mail address [ethics@itella.com](mailto:ethics@itella.com).

The parties which receive the report must initiate investigations into the matter

immediately. Communications on the matter are addressed only to individuals who are in a key position with regard to investigating any possible misconduct. They must ensure that the matter is investigated in full confidence and professionally so that the privacy of everyone involved can be guaranteed. An employee who has reported a suspicion of misconduct or wrongdoing in good faith may rely on the discreet and confidential processing of the matter and will not be subject to consequences due to the report.

In case the investigation uncovers a breach of Itella's Code of Conduct or Corporate Responsibility Principles, the consequences will be decided upon by a representative of the line organization's management (at least two levels above) in consultation with a representative of HR and Legal Affairs. If the party responsible for misconduct is a member of the Group's Management Board, the matter is handled by Itella Corporation's Board of Directors.

The consequences of misconduct may entail a caution, warning, or the termination of employment, and liability for any damages attributable to the act in question. Furthermore, certain unlawful acts may lead to penal sanctions, such as fines or imprisonment.

Approved by the Management Board of Itella Group on June 17, 2011, and adopted by Itella Corporation's Board of Directors June 22, 2011.